

House File 400 - Enrolled

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HOUSE FILE 400

AN ACT

AUTHORIZING THE FORMATION OF A PROFESSIONAL CORPORATION OR
A PROFESSIONAL LIMITED LIABILITY COMPANY BY LICENSED REAL
ESTATE BROKERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 490A.1501, subsection 4, Code 2007, is
amended to read as follows:

4. "Profession" means the profession of certified public
accountancy, architecture, chiropractic, dentistry, physical
therapy, psychology, professional engineering, land surveying,
landscape architecture, law, medicine and surgery, optometry,
osteopathy, osteopathic medicine and surgery, accounting
practitioner, podiatry, real estate brokerage, speech
pathology, audiology, veterinary medicine, pharmacy, nursing,
and marriage and family therapy, provided that the marriage
and family therapist is licensed under chapters 147 and 154D.

Sec. 2. Section 496C.2, subsection 4, Code 2007, is
amended to read as follows:

4. "Profession" means the profession of certified public
accountancy, architecture, chiropractic, dentistry, physical
therapy, psychology, professional engineering, land surveying,
landscape architecture, law, medicine and surgery, optometry,
osteopathy, osteopathic medicine and surgery, accounting
practitioner, podiatry, real estate brokerage, speech
pathology, audiology, veterinary medicine, pharmacy and the
practice of nursing.

Sec. 3. Section 543B.2, Code 2007, is amended to read as
follows:

543B.2 INDIVIDUAL LICENSES NECESSARY.

A partnership, association, ~~or~~ corporation, professional
corporation, or professional limited liability company shall
not be granted a license, unless every member or officer of
the partnership, association, ~~or~~ corporation, professional
corporation, or professional limited liability company who
actively participates in the brokerage business of the
partnership, association, ~~or~~ corporation, professional
corporation, or professional limited liability company holds a
license as a real estate broker or salesperson, and unless
every employee who acts as a salesperson for the partnership,
association, ~~or~~ corporation, professional corporation, or
professional limited liability company holds a license as a
real estate broker or salesperson. At least one member or
officer of each partnership, association, ~~or~~ corporation,
professional corporation, or professional limited liability
company shall be a real estate broker.

Sec. 4. Section 543B.5, subsection 18, Code 2007, is
amended to read as follows:

18. "Person" means an individual, partnership,
association, ~~or~~ corporation, professional corporation, or
professional limited liability company.

Sec. 5. Section 543B.31, Code 2007, is amended to read as
follows:

543B.31 PLACE OF BUSINESS.

Every real estate broker, except as provided in section
543B.22, shall maintain a place of business in this state. If
the real estate broker maintains more than one place of
business within the state, a duplicate license shall be issued
to such broker for each branch office maintained. Provided,
that if such broker be a copartnership, association, ~~or~~
corporation, professional corporation, or professional limited
liability company a duplicate shall be issued to the members
or officers thereof, and a fee determined by the real estate
commission in each case shall be paid for each duplicate
license.

Sec. 6. Section 543B.46, subsection 6, Code 2007, is
amended to read as follows:

6. The commission shall verify on a test basis, a random
sampling of the brokers, corporations, professional
corporations, professional limited liability companies, and

3 4 partnerships for their trust account compliance. The
3 5 commission may upon reasonable cause, or as a part of or after
3 6 an investigation, request or order a special report.
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PATRICK J. MURPHY
Speaker of the House

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JOHN P. KIBBIE
President of the Senate

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3 18 I hereby certify that this bill originated in the House and
3 19 is known as House File 400, Eighty-second General Assembly.

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MARK BRANDSGARD
Chief Clerk of the House

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CHESTER J. CULVER
Governor